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ABSTRACT

This annual report of the Council on Library and Information Resources (CLIR) begins with a list of supporters, a letter from the chairman, and a message from the president. The major CLIR programs are then described: (1) Preservation and Access, including domestic and international activities; (2) Digital Libraries, including developing libraries of materials born digital, building core infrastructure, integrating digital materials into academic life, and organizational support for digital libraries; (3) Leadership, including the W. K. Kellogg Foundation Project, the Frye Leadership Institute, the College Libraries Committee, "The Mirage of Continuity," and the A. R. Zipf Fellowship Program; and (4) Economics of Information, including licensing discussions and the Investment in Information project. CLIR publications, advisory groups, and grants and contracts are listed. Audited CLIR financial statements with accompanying notes and a schedule of functional expenses are provided. (MES)

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Council on Library and Information Resources

1998 / 1999 ANNUAL REPORT

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The Council on Library and Information Resources (CLIR) grew out of the 1997 merger of the Commission on Preservation and Access (CPA) and the Council on Library Resources (CLR). Over the years, CPA and CLR, in partnership with libraries, archives, and other information providers, advocated collaborative approaches to preserving the nation's intellectual heritage and strengthening the many components of its information system. CLIR was founded to continue this tradition of support for a national information system and a seamless web of information resources, of which all libraries and archives are a part.

The convening role is central to CLIR's mission. CLIR brings together experts from around the country and around the world and asks them to turn their intelligence to the problems that libraries, archives, and information organizations face as they integrate digital resources and services into their well-established print-based environments.

CLIR urges individuals to look beyond the immediate challenges and imagine the most desirable outcomes for the users of library and archives—to be rigorously practical and to dream.

Council on Library and Information Resources

Annual Report 1998-1999

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LETTER FROM THE CHAIRMAN

The Council on Library and Information Resources (CLIR) was formed by the merger of the Council of Library Resources (CLR) and the Commission on Preservation and Access, and it continues the work of these two important organizations. The merged Board—representing public and university research libraries, publishers and distributors of information resources, and university leaders who represent scholars and students—has worked with President Deanna Marcum and the program officers of the Council to shape an agenda that integrates the concerns of CLR and the Commission.

CLIR continues to be the catalyst for projects, such as the new Frye Leadership Institute to be held at Emory University, to educate and develop leaders for the libraries of the future. It continues to sponsor research on preservation, now mostly focused on digital formats, to convene national commissions and task forces to deal with issues raised by preservation, such as the treatment of original materials that have been preserved by copying or digitization, and to disseminate the results of these studies in well-edited and beautifully printed pamphlets.

CLIR is not a membership organization, although a large number of academic institutions and major public libraries sponsor it. Rather, CLIR is an independent organization dedicated to improving the management of information for research and for teaching and learning. Preservation, access, library systems, leadership, the education of information managers, and national information policy are all interests that CLIR pursues to accomplish its basic goal. The enthusiastic support it receives from the institutions that support scholarship, teaching, and learning in this country and the many collaborations it has with foreign institutions demonstrate the value of its work.

The Board is extremely proud of the work done by President Marcum and the exceptional staff of CLIR. The annual report indicates that they have established a firm financial basis for their work, and the list of projects shows the broad range of their activities. CLIR is not a sleepy place, even if it honors the tradition of being a quiet one.

Stanley Chodorow
Chairman of the Board

Message from the President

At the close of the nineteenth century, American public libraries, as we know them today, were being invented, as were many of the cultural and educational agencies that have become well known in the twentieth century. Academic libraries were still closely modeled on their European counterparts; reforms in higher education would come later in the twentieth century, bringing with them widespread changes in library services and operations.

Recognizing that time is as much a cultural construction as anything else, it nonetheless seems important that, at the closing of this century and this millennium, we ask how libraries and archives should be reconceptualized to do their jobs in the next century. What must change? What must, no matter what, remain? The professional literature's focus on hardware, software, and specific projects masks a truly important question: Is society willing to protect and nurture an organization whose purpose it is to guarantee unimpeded access to information that is essential to the continuation of a democracy?

Libraries of all types and archives are in a volatile transition period. They are simultaneously managing the vast resources they have acquired over the years and exploring new ways to make their storehouses of treasures available through the World Wide Web. The resulting financial pressures are painful. The volume of print publications that need preservation for long-term access only increases while electronic counterparts are requested by patrons for greater ease of searching. The dream of substituting one format for another remains elusive because the problem of digital archiving is not yet solved. Libraries promise to be gateways to information that lies beyond their building walls; yet, the building itself is an icon cherished by the public and an important gathering place for students and faculty. When funds for new and renovated buildings are frightfully scarce, how do libraries and archives balance the need for buildings to serve their iconic purposes with the need to provide new services demanded in a new era?

As libraries and archives go about the business of transforming themselves, CLIR is interested in shaping the answer to the broad questions about what libraries and archives must do to serve society's needs in the next century. Of course, CLIR will work with other organizations and

agencies to frame the questions and begin to form answers, for such collaboration is key to progress in the digital environment. Similarly, the users of libraries and archives must be brought more fully and directly into the discussion about the shape and form of future organizations, for their successors' ability to do their work depends upon it.

PROGRAMS

The specific accomplishments in each of four program areas are described in the program section of this report, but a few notes are necessary here as well to describe the underlying premises of each program.

In the preservation and access program, we concentrated on two general themes—preservation awareness and digital archiving. The need to preserve library materials grows more urgent as libraries are under increasing pressure to invest in electronic resources and in retrospective digitization of special collections. The dream of a few years ago—that preservation and access were inextricably bundled—has faded. Until technology provides a dramatic breakthrough, traditional preservation methods are required if materials will be available for the long-term. Digital surrogates provide quick and easy access to a significantly expanded audience, but they cannot be counted on for use even a few years from now.

The dream of a few years ago—that preservation and access were inextricably bundled—has faded.

CLIR recognizes that without solutions to the important problem of digital archiving, our best contribution is to discover the approaches that are being pursued and report the possibilities. Although we run the risk of appearing to invest in a particular approach as we publish reports, we have systematically tried to bring to light as many ways as possible of thinking about digital archiving. In that spirit, we commissioned a report from Jeff Rothenberg, who believes that software emulation provides the best prospect for long-term preservation. With the release of that report in the spring of 1999, other authors who disagree with Rothenberg's approach have identified themselves, and we have engaged them to write reports arguing their points of view.

The need for preservation awareness in other countries is markedly different from the needs in the United States. We have worked with the principal supporter of our international preservation activities, The Andrew W. Mellon Foundation, to identify the geographic areas in which we make substantial investments. In Latin America, South Africa, and Southern Europe this year, we have worked with leaders in libraries and institutions of higher education to identify ways in which preservation awareness can be made a higher priority and to instill a preservation ethic

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wherever possible. Generally, our work abroad takes the form of basic preservation training, translation of standard preservation texts into native languages, and identification of opportunities to add to the worldwide bibliographic information so that scholars everywhere will know what has been preserved and made available for use.

The Digital Library Federation (DLF), funded by the members of the Federation, stands as CLIR's signal activity in the digital libraries program. The Federation is working hard to identify barriers to the development of fully functioning digital libraries and to overcome them through carefully considered projects designed to produce answers. This year, the DLF identified several discipline-based projects to emphasize. The Academic Image Exchange, aimed at producing content that will be used in art history courses across the country, makes a significant contribution to understanding the power and utility of the Web-based technology. Other projects were advanced to the point of readiness for reporting, and DLF issued its first two publications for broad distribution this year. As time goes by, the aim will be to disseminate the findings of DLF projects more quickly so that all libraries and archives, not simply the members of the Federation, will have more in-depth information available to them to apply to their own institutions' digital library efforts.

The Frye Leadership Institute, named to honor Billy Frye, Chancellor of Emory University and the first Board chairman of the Commission on Preservation and Access, has begun to take shape this year with the help of the advisory committee, made up of representatives of CLIR, EDUCAUSE, and the Association of Research Libraries. A series of advisory meetings were held to determine the curriculum and identify speakers for the first institute. Solicitation of applications is under way.

The College Libraries Committee completed its collection of nine case studies of innovations in library services using technology on college campuses. The collected material served as excellent background material for an invitational conference at the Belmont Conference Center in March, during which college administrators, librarians, and teaching faculty considered the major issues confronting liberal arts colleges and mid-sized universities as they enter the digital age.

The Economics of Information Program has been the most difficult to define and put into operation. While several small projects have been productive, the scope of the larger program is still being determined.

CLIR's Board

This has been a year of stability for CLIR's Board. There has been no turnover due to term completion or resignation. The experience of the Board and its strong commitment to the organization are abundantly evident in all aspects of the organization, but perhaps most evident in the path the Board chose for itself in 1999.

With the advice of the CLIR Board, we have designated six themes for our work: preservation awareness, digital libraries, leadership, economics of information, resources for scholarship, and international developments.

In preparation for the spring meeting, CLIR's Board chairman and president convened a series of regional briefings, aimed chiefly at the members of the Association of Research Libraries, to discuss CLIR's future agenda. Through a combination of Board deliberations in late 1998 and program staff retreats in early 1999, CLIR developed a tentative agenda consisting of six areas of interest for future work. We asked those who attended the briefings to comment on the prospective topics and submitted the results to the Board for discussion and approval at its May 1999 meeting.

We recognized early in our discussions that the old model of dividing the agenda into descrete programs, each headed by a program officer, did not serve us well. The areas in which we had chosen to work cannot be so neatly circumscribed. Our concern about digital archiving, for example, fits into the preservation and access program, but it is also central to digital library issues. We believe the best approach is to identify the issues or themes that seem most important for the advancement of libraries, archives, and other information organizations and to think of those themes as a collective assignment to our staff.

With the advice of the CLIR Board, we have designated six themes for our work: preservation awareness, digital libraries, leadership, economics of information, resources for scholarship, and international developments.

Staff Changes

Staff assignments have been redefined after a resignation and after the Board adopted the six-theme agenda in May 1999. James Morris resigned as vice president on August 31, 1998. Abby Smith was named director of programs to coordinate the projects within each of the then four program areas and to help shape the interaction that is called for in the new agenda. In October 1998, Rebecca Graham joined the Digital Library Federation as its research associate. Kathlin Smith was named director of communications, charged with sharpening the focus of CLIR's newsletters and reports, in addition to working with program staff in shaping the reports that will be published both in print and in electronic form.

Cassie Savage and Cynthia Bergquist joined CLIR as administrative associate and executive assistant, respectively, on July 1, 1998. They are the friendly, helpful individuals our telephone and in-office visitors first encounter. They have set new standards for providing responsive, timely information.

Donald Waters, who joined CLIR in October 1997 as director of the Digital Library Federation, resigned to become program officer for scholarly communication at The Andrew W. Mellon Foundation in New York on July 1, 1999.

Staff changes, though inevitable, are difficult for a small organization to absorb. And yet, each day brings fresh reminders that a high-quality staff is the best investment any organization can make. As president of CLIR, I am deeply grateful to work with a Board of great distinction and commitment and to have staff colleagues who define, by their words and deeds, excellence.

Deanna B. Marcum
President

September 30, 1999

THE PROGRAMS

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Preservation and Access

Domestic Activities

CLIR has an ongoing commitment to the preservation efforts of libraries and archives throughout the United States and abroad. The purpose of preservation is to ensure the continued access of library resources into the future. The Commission on Preservation and Access helped to create the conditions that fostered the growth and maturation of preservation as a profession and the establishment of preservation activities as core functions in research libraries. Looking ahead to a world in which libraries will be responsible for items in increasingly complex formats and recorded on increasingly fragile media, CLIR continues to serve as an advocate for preservation and to support the professional infrastructure that provides preservation services.

The digital revolution in information creation and dissemination has increased appreciation of the importance of making analog materials available for research in their original form when possible and, when not, of reformatting onto preservation-quality microfilm. Several CLIR publications that appeared this year addressed how libraries can and should ensure long-term access to recorded knowledge. *The Future of the Past: Preservation in American Research Libraries* focused on the desirability of scholars and librarians to collaborate on needs analysis for preservation. In an era when even professional librarians are questioning what role they will play in the future, this report underscores the critical and irreplaceable role of library as custodian of the historical record in the most authentic form possible. The report *Why Digitize?* was written to inform a wide audience of administrators, funders, and humanists of what preservation specialists know well: that digital conversion is an excellent tool for access but does not yet replace microfilming for preservation reformatting purposes. CLIR also published two papers, *Selecting Research Collections for Digitization,* and *Digitization for Scholarly Use: The Boswell Papers Project at The Beinecke Rare Book and Manuscript Library,* to report on how digital conversion of selected collections can best serve access to scholarly resources. The reports are especially valuable in their realistic assessment of what digitization can and cannot do, in particular addressing the intensive use of scarce specialized resources to achieve results that are so far hard to measure with accuracy.

While continuing to articulate the need for tried-and-true preservation techniques in light of the fragility of digital media, CLIR has also taken steps this year to promote possible solutions to the digital preservation challenge. It is supporting an assessment of the long-term risks of migrating numerous file formats over time; Cornell University Library, together with Cornell's computing science department, is developing a tool to analyze the risk of migrating selected textual and numeric formats. CLIR also published a report on emulation entitled, *Avoiding Technological Quicksand: Finding a Viable Technical Foundation for Digital Preservation.* The

report propounds a software solution to the problem of obsolescent formats that, when developed, should allow access to superceded software and hardware configurations.

Access to resources for scholarship has assumed new importance and urgency this past year as libraries face increasing difficulties in acquiring and making accessible the resources that scholars require to do their research.

Access to resources for scholarship has assumed new importance and urgency this past year as libraries face increasing difficulties in acquiring and making accessible the resources that scholars require to do their research. In some cases, that is because budgets are failing to keep up with the real costs of acquisition and preservation. In other cases, it is because the recording media of this century, such as videotape or LPs, are very fragile and research remains to be done to establish best practices for stabilizing these items. In yet others it is because scholars are using nonprint and special collections with renewed intensity and are in need of better finding aids and search and retrieval tools. As more funding, from both internal and external sources, is made available to libraries to convert analog materials into digital form, CLIR is devoting time and attention to promoting best practices for image capture. Together with DLF, CLIR has funded a series of guides to digital image capture, written not by preservationists but by experts in imaging. The guides will be copublished with the Research Libraries Group (RLG) on our Web sites.

Working with the National Endowment for the Humanities (NEH) and RLG, CLIR began a project this year to codify best practices in hybrid conversion from microform to digital images. Over several years, the Commission on Preservation and Access and NEH provided funds for staff of Cornell and Yale universities to study the conversion of microfilm to digital images and to produce computer output microfilm from digital scans. CLIR has mounted on its Web site a draft report that summarizes the current state of knowledge, identifies areas that need further research and development, and recommends a course of action to meet those needs.

To extend the reach of resources for scholars, both libraries and museums have been digitizing their culturally significant holdings in order to provide high-quality educational content on the Web. CLIR received a National Leadership Project grant from the Institute of Museum and Library Services (IMLS) to hold a conference of library and museum leaders that will address the policy issues and technical and intellectual challenges of developing high-quality digital collections for distribution on the Web. The results of the conference will be published shortly after the meeting, scheduled for October 1999.

PRESERVATION AND ACCESS

INTERNATIONAL ACTIVITIES

There remain many parts of the world where the preservation profession has yet to mature and preservation activities have yet to become established as core functions in research libraries. For the past decade, CLIR's international program has sought to build preservation awareness and capacity, and to encourage the actions needed to make preservation activity self-sustaining over time.

Nowhere is the success of this approach more apparent than in Brazil. A project that began with a modest goal of translating preservation literature into Portuguese has spawned an active, coordinated network of preservation professionals and educators. The project, which CLIR began to support in 1996 with funds from The Andrew W. Mellon Foundation, was recognized this year by receiving Brazil's most prestigious cultural heritage award—the Rodrigo Melo Franco de Adrade. The project has inspired similar work elsewhere in Latin America: Chile recently started a project for Spanish translations and training, with support from the Mellon Foundation.

South Africa figured prominently in CLIR's work this year. The profound social and political changes taking place there have brought new pressures but also new opportunities. With support from CLIR, the University of Cape Town organized a regional meeting for librarians, archivists, and museum staff to identify common problems in preservation, discuss priorities for addressing problems, and explore modes of regional cooperation. Reporting on the meeting, its organizer wrote, "It emerged that the timing of the event had been most opportune, as national bodies such as the archives, national libraries, and museums are all undergoing restructuring and transformation, and that these organisations might take on different responsibilities and find new ways of doing things."

South Africans have identified training as the greatest need, since no formal training opportunities exist domestically. CLIR supported two three-day preservation workshops in Durban and Cape Town, led by staff of the Northeast Document Conservation Center (NEDCC). The workshops were designed to provide decision-makers and managers in South African libraries and archives with current thinking on a range of issues related to preservation management. Participants judged the workshops a success, and plans are being made for related activities in the coming year.

The need abroad for practical and up-to-date information on preservation management remains enormous. CLIR cooperated with the International Federation of Library Associations and Institutions (IFLA) to publish the *IFLA Principles for the Care and Handling of Library Material*, a third and fully revised edition of the manual first published in 1979. The *Principles* provides an introduction to preservation practice and is aimed at individuals

and institutions with little or no knowledge of this area. IFLA has distributed 3,000 copies in English worldwide, and translations into Spanish and Portuguese are under way. With support from CLIR, the Library of Foreign Literature, Moscow, translated the *Principles* into Russian and distributed copies throughout Russia, Eastern Europe, and the Commonwealth of Independent States (CIS).

While building preservation awareness and capacity remain central to the agenda of the international program, the overarching goal has been to ensure that materials remain accessible for use by scholars worldwide.

While building preservation awareness and capacity remain central to the agenda of the international program, the overarching goal has been to ensure that materials remain accessible for use by scholars worldwide. In April, CLIR joined with the Library of Congress to cosponsor a two-day meeting of American and Greek scholars and librarians. The purpose of the meeting was to share information about holdings in important collections in the United States and Greece and to develop an agenda for cooperation in the preservation and exchange of materials. Participants formed a bilateral Modern Greek Collections Working Group to coordinate an ambitious agenda of activities. Plans include making arrangements for materials exchange, conservation training in the United States, paleography training in Greece, the contribution of Greek bibliographic records of preserved materials to the European Register of Microform Masters, and the creation of a shared database into which Greek records can be transliterated. The group has established both a listserv and a Web site to enhance communications among its members and with other scholars.

The desire to make research holdings more broadly available for scholarly use has led many libraries and archives to begin converting portions of their holdings to digital form. But few institutions have taken such projects beyond the pilot phase, and, in terms of duration and size, no project matches that undertaken by the Archivo General de Indias, in Seville, Spain. In 1988, the Archivo began to digitize more than eleven million pages of documents relating to Spanish history in the New World. The Archive's former director, Pedro González, wrote an account of the project, entitled *Computerization of the Archivo General de Indias: Strategies and Results,* which CLIR published in September. In describing the day-to-day practical problems of operation as well as longer-term issues, such as the obsolescence of hardware, software, and storage media, the report provides an excellent case study of a large-scale conversion project and its challenges over a decade.

DIGITAL LIBRARIES

The Digital Library Federation (DLF), as the primary manifestation of CLIR's interest in digital libraries, has a mission to establish the elements essential for creating, maintaining, expanding, and preserving a distributed collection of digital materials for use by scholars and the broader public. Established in 1995 with a membership of 15 libraries and archives, DLF members now include 23 partners and 4 allied organizations. With an agenda developed collaboratively by the director, research associate, and members of both the steering and architecture committees, DLF helps advance digital libraries by supporting publications, workshops, meetings, and research projects.

The Federation's agenda is driven by four program priorities:

- developing libraries of materials born digital
- building core infrastructure for digital libraries
- integrating digital materials into the fabric of academic life
- developing the organizational support necessary for managing digital libraries effectively

DEVELOPING LIBRARIES OF MATERIALS BORN DIGITAL

In fostering the development of materials born digital, DLF organized a workshop on social science data to examine the state of the art in three areas: the discovery and retrieval of databases, the evaluation and interpretation of alternative data sources, and data extraction for analysis and presentation. Participants included social science data managers from DLF institutions and a variety of experts who identified activities to advance the state of the art in these areas with the goal of improving the use of social science databases in the undergraduate curriculum.

DLF also cosponsored the formation of a task force on digital preservation policy and practice. The goal of the task force is to identify and document preservation practices to better understand the technical, economic, and organizational barriers that institutions face, and to help determine the kinds of action needed to reduce those barriers. The groups will gather and analyze existing digital preservation policies and practice descriptions for three classes of electronic materials: institutional records in digital form, locally digitized materials, and electronic publications.

BUILDING CORE INFRASTRUCTURE

Essential to the realization of digital libraries are projects focused on

ensuring the interoperability of digital libraries through the development of an architectural core. DLF efforts in this area include contributing to the support of the Internet2—Distributed Storage Infrastructure (I2-DSI) workshop. The workshop was designed to explore how well the emerging infrastructure will meet the needs of various applications, including those of digital libraries. Workshop participants reviewed several projects designed to test this new infrastructure, including a project being developed at Columbia University for publications in the earth sciences, a project to deliver online access to sound recordings being developed at Indiana University, and the DLF-sponsored Academic Image Exchange.

Integrating Digital Materials into Academic Life

Technical Architecture

Solving technical architecture challenges is essential to fully integrating digital materials into academic life. DLF's Technical Architecture Committee has been instrumental in three initiatives: the large challenge of reference linking and, within reference linking, the specific problem of selective resolution and the digital certificate prototype.

Reference linking. DLF cosponsored a workshop on citation linking to electronic journal literature, which brought together publishers, librarians, representatives from abstracting and indexing services, information aggregators, vendors of information services, and end users. The workshop focused on building a common awareness of the range of needs and improving understanding of the strengths and limitations of current approaches. It also sought to identify and stimulate actions needed to improve the facilities for linking citations and digital objects in the digital environment. A smaller working group was formed at the meeting to define the nature and scope of research on reference linking and to identify other work needed to foster the development of general systems of reference linking. A second meeting of the initial group was called to discuss the report of the working group and resulted in plans for engaging computer scientists in additional research on solutions.

Selective resolution. The Technical Architecture Committee of DLF has agreed to address the specific challenge of selective resolution, which was identified in these meetings. Their work will focus on how to deliver location or selection information to users when more than one copy of an article exists in a library's holdings.

Digital certificate prototype. Digital certificates offer a secure means of authorizing access to a range of campus systems and resources, and they

are becoming part of campus technology infrastructure. Under DLF auspices, a small group of member institutions and information providers have developed a protocol that enables an information resource provider to verify that a user bearing a digital certificate has authority from a home institution to use a requested resource. The prototype system combines the use of X.509 digital certificates for authentication with a directory service providing authorization to licensed resources based on user attributes.

Metadata

Metadata is a core element of digital library architecture, providing the means to navigate, identify, manage, and define digital objects. This year, DLF organized two meetings and a workshop to address specific metadata issues.

Workshop on still images. Staff from several DLF institutions participated in an invitational workshop to examine the technical information needed to manage and use digital still images that reproduce a variety of pictures, documents, and artifacts. The workshop drew representatives from libraries, universities, museums, and archives, as well as representatives from government and digital imaging vendors. By the end of the workshop, participants had agreed on four items:

- a preliminary list of technical metadata elements
- the use of industry-standard metrics, where they exist, for assessing images (for example, tone, color, and International Color Consortium (ICC) profiles)
- the need to develop methods of pointing to external test charts
- a requirement for mechanisms enabling the metadata associated with an image to persist through various transformations

International meeting on archival authority information. Long-standing and unresolved questions about how best to record and present archival authority data have hindered the development of standards for archival description. With the increased use of digital files by archives, the need has become more urgent to develop a standard encoding format for the recording and exchange of archival authority information. In December 1998, DLF sponsored an international meeting of archivists to discuss the development of a format that will become part of the emerging archival information architecture. The group developed a project plan that identifies the need to incorporate recommendations into the International Standard Archival Authority Record for Corporate Bodies, Persons, and Families [ISAAR (CPF)] which is to be reviewed in 2001. The plan also identified the need to draft an ISAAR-compliant document-type definition (DTD), to define a Z39.50 attribute set for ISAAR, and to ensure links to specialized authority files, such as those for geographic information.

Meeting to discuss integration of Americana. The DLF convened a meeting of metadata experts from its member institutions to consider how best to integrate, at descriptive and subject levels, the important Americana being created in digital form. The idea for an "academic Lycos" emerged at this meeting and was defined in a preliminary way as a project for further work. The group called for an overview of issues associated with the recording and use of structural metadata and will begin planning a series of meetings to help familiarize practitioners at DLF institutions with metadata developments in the computer science labs associated with the NSF Digital Library Initiative and other projects.

Academic Image Exchange

DLF convened a meeting of art history faculty, visual resource librarians, and representatives of the College Art Association to explore ways of using digital libraries to enhance the quality of art history teaching and research in the nation's colleges and universities. As a result of this meeting, plans were developed for a prototype mechanism, called an image exchange. This facility would enable scholars to share images, to which they own the rights, of works representing the concordance of major works taught in art history survey courses.

Guides to Visual Imaging

DLF is also cosponsoring, with CLIR, the development of a series of guides to quality in visual resource imaging. The guides will review the state of the art in visual resource imaging and identify technologies and practices that can be documented and recommended to the community. Five topics will be addressed: setting up an imaging project, selecting a scanner, creating a scanning system, producing a digital master, and generating digital derivatives. The guides will be copublished with RLG on our Web sites.

Organizational Support for Digital Libraries

This year, the DLF developed a new series of forums specifically to address the organizational and management needs of digital libraries. The forums, to be held annually, will bring together digital library practitioners to consider issues of common concern through presentations and discussions. Forum topics will alternate between technical and organizational issues. The first Forum on Digital Library Practices was scheduled for July 1999.

LEADERSHIP

CLIR's interest in leadership has deep historical roots. The highly successful but expensive Management Intern Program of the 1970s and 1980s was abandoned several years ago because of the cost of training relatively few individuals. We have continued to search for other methods of addressing leadership development that will have a broader influence. CLIR recognized, too, that the need for leadership exists in all sizes and types of libraries, and our activities in the leadership area have been developed to respond to several needs.

The W. K. Kellogg Foundation Project

Leadership initiatives aimed at public libraries, community information networks, and library education, funded by the W. K. Kellogg Foundation, drew to a close this year. CLIR continued to host a Public Access Network Directory on its Web site to connect community networks with public library outreach efforts. We have worked closely with the Benton Foundation to create a video that will help community leaders to think collectively about all of the cultural agencies in the community that provide information resources. The video will be distributed in the fall of 1999.

Consultant Liz Bishoff completed an evaluation of grants that Kellogg made to schools of information and library studies as part of its program for Human Resources in Information Systems Management (HRISM). Four such schools had received grants to reform their curricula in response to changes in technology and a desire to align curricula with community needs. Ms. Bishoff found that the curricular reform has, for the most part, resulted in the hoped-for changes.

The CLIR Board continued its discussions about the need to reconceptualize library and information science education. Additional work in this area will be part of next year's agenda.

The Frye Leadership Institute

The first Frye Leadership Institute is scheduled for June 4–16, 2000.

Planning for the Frye Leadership Institute has been in high gear this year. The Association of Research Libraries and EDUCAUSE were each invited to name three members to an advisory committee to help plan the curriculum and to develop recruitment strategies. The first Institute is scheduled for June 4–16, 2000. The Robert W. Woodruff Foundation has provided major support for the Institute. CLIR, EDUCAUSE, and Emory University are partners in the effort through their cash contributions to the Institute.

In June 1999, the family and friends of Patricia Battin established a scholarship endowment in her honor, to provide financial assistance for promising participants in the Frye Leadership Institute whose institutions cannot afford to support their attendance.

The College Libraries Committee

The College Libraries Committee, in cooperation with CLIR program staff, developed case studies describing innovative uses of technology for information services on college campuses. The nine case studies were used as background information for a conference at the Belmont Conference Center on March 25–26, 1999. College administrators, faculty, information technologists, and library directors discussed the implications of digital technology for teaching and learning. The participants encouraged CLIR to take the following steps:

- distribute the case studies widely
- convene additional meetings with deans, provosts, and presidents to discuss the digital future
- explain, through conferences and publications, the implications of changes in the scholarly communication system

The Mirage of Continuity

The Mirage of Continuity: Reconfiguring Academic Information Resources for the 21st Century, edited by Brian Hawkins and Patricia Battin, was published by CLIR and the Association of American Universities in August 1998. The book has been the subject of many conference sessions and has been widely distributed to higher education administrators.

The A. R. Zipf Fellowship Program

In May 1999, CLIR awarded the third A. R. Zipf Fellowship to Debra Ruffner Weiss, a Ph.D. candidate in the School of Information and Library Science at the University of North Carolina at Chapel Hill. The Zipf Fellowship was established to recognize a graduate student who shows exceptional promise for leadership and technical achievement in information management. For 10 years before entering the doctoral program at UNC, Ms. Weiss worked in the creation of large-scale information systems. Her current research focuses on developing network-based middleware services that enable high-performance data sharing among Internet2 universities and other organizations.

THE ECONOMICS OF INFORMATION

The CLIR staff, during its planning retreats and in discussions with the Board, spent considerable time this year better defining the scope of the Economics of Information program. There are economic dimensions to nearly all of CLIR's projects and programs. However, there are several issues that require specific economic studies. The staff identified the need for analysis in the following areas:

- How to measure the productivity of users of information resources.
- How to value heritage assets. CLIR is commissioning a report on managing cultural assets from a business perspective. The report, to be written by KPMG Peat Marwick, will draw on that firm's experience in developing a model to assess risks to the collections of the Library of Congress.
- How to help provosts and other university administrators measure the costs of information.
- How to develop business models for new services that grow out of CLIR's activities. Work is under way within the Digital Library Federation to develop the first models.

After discussions with the Board, CLIR decided to commission a consultant to work with the economics advisory committee to bring focus to the developing agenda.

Licensing Discussions

This year CLIR cosponsored, with the Scholarly Publications Section of the Association of American Publishers, a series of meetings of selected librarians and publishers. One purpose in meeting was to explore licensing to determine if there are areas of commonality between the two groups. The informal group was charged with the following agenda:

- to review the national-level dialogue in the United Kingdom on the topic of licensing and its result of reaching agreement on definitions and on certain practices
- to review Yale's LIBLICENSE project and new licensing software
- to review the current state of licensing between libraries and publishers in the United States

The group concluded that a simple, practical goal was best: to adapt LIBLICENSE so that it can be used in 80 percent of the licensing arrangements librarians make with publishers.

Investment in Information Project

On August 3, 1998, the advisory committee for the Investment in Information project met with an economist to discuss the kind of economic study of information resources that would be most helpful to academic adminis-

[redacted]

trators. Two possibilities emerged from that meeting—the first focused on information productivity and the second on benchmarking and modeling. As the economist's recommendations were discussed with the Board during its subsequent fall meeting, the benefits of the two proposals were questioned, and other recommendations were offered. The staff was charged with developing options for consideration.

PUBLICATIONS

JULY 1, 1998 - JUNE 30, 1999

Monographs and Reports

The Mirage of Continuity: Reconfiguring Academic Information Resources for the 21st Century. Brian L. Hawkins and Patricia Battin, eds.

IFLA Principles for the Care and Handling of Library Material (jointly with IFLA/PAC). Edward P. Adcock, Marie-Thérèse Varlamoff, and Virginie Kremp.

Computerization of the Archivo General de Indias: Strategies and Results. Pedro González.

Selecting Research Collections for Digitization. Dan Hazen, Jeffrey Horrell, and Jan Merrill-Oldham.

Scholarship, Instruction, and Libraries at the Turn of the Century: Results from Five Task Forces Appointed by the American Council of Learned Societies and the Council on Library and Information Resources.

Avoiding Technological Quicksand: Finding a Viable Technical Foundation for Digital Preservation. Jeff Rothenberg.

Enabling Access in Digital Libraries: A Report on a Workshop on Access Management. Caroline Arms, ed., with Judith Klavans and Donald J. Waters.

Why Digitize? Abby Smith.

Digitization for Scholarly Use: The Boswell Papers Project at The Beinecke Rare Book and Manuscript Library. Nicole Bouché.

The Future of the Past: Preservation in American Research Libraries. Abby Smith.

Preserving the Whole: A Two-Track Approach to Rescuing Social Science Data and Metadata. Ann Green, JoAnn Dionne, and Martin Dennis.

- *CLIR Annual Report.* 1997-1998.

Working Papers (published as drafts on CLIR's Web site)

Digital Imaging and Preservation Microfilm: The Future of the Hybrid Approach for the Preservation of Brittle Books. Stephen Chapman, Paul Conway, and Anne R. Kenney.

Innovative Use of Information Technology by Colleges.

Newsletters and Other Materials

CLIR Issues, nos. 4-9. July 1998-June 1999.

Preservation and Access International Newsletter, nos. 3-6. September 1998-June 1999.

Research Brief, no. 6. September 1998.

The Digital Library Federation: Program Agenda.

The Digital Library Federation: Organization and Structure.

"What Should be Saved?" Deanna Marcum. *The New York Times,* July 6, 1998, p. A15

Advisory Groups

College Libraries Committee

Willis E. Bridegam
Amherst College

David Cohen
College of Charleston

Connie V. Dowell
Connecticut College

Michael S. Freeman (deceased)
Haverford College

Michael Haeuser
Gustavus Adolphus College

Victoria L. Hanawalt
Reed College

DLF Steering Committee

Scott Bennett
Yale University Library

Harold W. Billings
University of Texas at Austin

Jerry D. Campbell
University of Southern California

Nancy Cline
Harvard University Library

Nancy Eaton
Pennsylvania State University

William A. Gosling
University of Michigan Library

Joan I. Gotwals
Emory University

Paula Kaufman
University of Tennessee Libraries

Michael A. Keller
Stanford University

Gerald Lowell
University of California, Berkeley

Richard E. Lucier
California Digital Library

Paul H. Mosher
University of Pennsylvania

Susan K. Nutter
North Carolina State University

Martin D. Runkle
University of Chicago Library

Gloriana St. Clair
Carnegie Mellon University

Thomas W. Shaughnessy
University of Minnesota Libraries

Elaine Sloan
Columbia University

Winston Tabb
Library of Congress

Sarah E. Thomas
Cornell University Libraries

Suzanne Thorin
Indiana University Libraries

Karin Trainer
Princeton University Library

William D. Walker
New York Public Library

Investment in Information Advisory Committee

Jerry D. Campbell
University of Southern California

Stanley A. Chodorow
University of California

Billy E. Frye
Emory University

Charles Phelps
University of Rochester

Elaine Sloan
Columbia University

Marshall Van Alstyne
University of Michigan

Frye Leadership Institute Advisory Committee

Patricia Battin

David Bishop
Northwestern University

Jacqueline Brown
University of Washington

Kathryn Deiss
Association of Research Libraries

Joan I. Gotwals
Emory University

Brian Hawkins
EDUCAUSE

Paul J. Kobulnicky
University of Connecticut

Deanna Marcum
Council on Library and Information Resources

Polley McClure
Cornell University

Jack McCredie
University of California, Berkeley

Betsey Patterson
Emory University

Susan Rosenblatt

Carolyn Snyder
Southern Illinois University Library

GRANTS AND CONTRACTS

ACTIVE IN FY 1999

Recipient	Purpose	Authorized	Amount
Association of Research Libraries Washington, DC	To support a study of the character and nature of research library investment in electronic resources	6/21/96	$11,800
Association of Research Libraries Washington, DC	To develop a Latin American book price index	10/29/96	$7,100
Robert Baron Larchmont, NY	To organize a meeting and develop a plan and proposal for the Academic Image Exchange Project	4/1/99	$10,000
David Bearman Pittsburgh, PA	To write a report on a migration-based solution to digital preservation	4/19/99	$13,000
Paula Behrens Conshohocken, PA	To develop a concordance of images, including architectural monuments, for the Modern Period	5/27/99	$1,000
Mark Bland Washington, DC	Professional development grant	3/31/98	$5,000
Nicole Bouché New Haven, CT	To write a report on the Beinecke-Boswell digitization project	11/4/98	$3,000
Jeff Cohen Bryn Mawr, PA	To produce a concordance of images of architectural landmarks for the Renaissance Period	5/27/99	$1,000
Linda Serenson Colet New York, NY	To write a section for the series, *Guides to Quality in Visual Resource Imaging*	3/8/99	$3,000
Columbia University Press New York, NY	To support electronic publications focus sessions	5/18/99	$20,000
Cornell University Library Ithaca, NY	To develop a review article on digital library architectures	8/31/98	$4,500
Cornell University Library Ithaca, NY	To conduct a study on risk management of digital information	6/26/98	$75,758
Spencer Crew Washington, DC	To write a paper on the subject of audience for the conference, "Collections, Content, and the Web"	4/14/99	$2,000
Donald D'Amato North Potomac, MD	To write a section for the series, *Guides to Quality in Visual Resource Imaging*	3/8/99	$3,000

Recipient	Purpose	Authorized	Amount
Dance Heritage Coalition Washington, DC	To write the report, *Securing Our Dance Heritage: Issues in the Documentation & Preservation of Dance*	9/3/98	$5,000
Franziska Frey Rochester, NY	To write two sections for the series, *Guides to Quality in Visual Resource Imaging*	3/1/99	$6,000
Ann Green New Haven, CT	To write the report, *Preserving the Whole*	3/19/99	$500
Lesley Hart South Africa	To conduct a regional seminar on preservation management	11/1/98	$1,000
Eva Hyvarinen Minneapolis, MN	To transcribe and enter data for the Academic Image Exchange Project	6/24/99	$1,500
Information International Associates Oak Ridge, TN	To write a report on sources of knowledge organization for digital libraries	6/28/99	$11,000
Institute for Learning Innovation Annapolis, MD	To assess institutional Web sites	5/28/99	$39,475
Anne Kenney, Paul Conway, Stephen Chapman Ithaca, NY	To write a report on hybrid conversion and hold one meeting	8/19/98	$4,000
Anne Kenney Ithaca, NY	To write a paper on technology for the conference, "Collections, Content, and the Web"	4/14/99	$2,000
Allen Kohl Coon Rapids, MN	To provide a concordance of images from current editions of art history survey textbooks	6/24/99	$1,500
Library for Foreign Literature Moscow, Russia	To produce and distribute a Russian-language translation of *IFLA Principles*	12/1/98	$5,800
Elmar Mitler & Kurt BeBelder Philadelphia, PA	To support travel expenses for WESS/ ARTS program	9/4/97	$2,900
National Library of Poland Warsaw, Poland	To convert the National Library of Poland's register of microform masters to machine-readable form	1/1/94	$120,000
National Library of Venezuela Caracas, Venezuela	To translate preservation literature into Spanish	8/9/96	$38,663

Recipient	Purpose	Authorized	Amount
National Library of Venezuela Caracas, Venezuela	To develop an infrastructure for the automated processing of microfilming holdings in Latin America and the Caribbean	5/6/95	$109,432
Neustadt Center for the Benton Foundation Washington, DC	To prod· .ce a video on the role of the library in the community	12/14/98	$88,000
Micheline Nilsen Philadelphia, PA	To produce a concordance of architectural landmarks of the Ancient and Medieval periods	5/27/99	$1,000
NISO Bethesda, MD	To support the Technical Metadata Workshop	3/11/99	$7,000
Northeast Document Conservation Center Andover, MA	To support two three-day workshops on preservation in South Africa	12/23/98	$17,600
Research Libraries Group, Inc. Mountain View, CA	To support RLG *DigiNews*	5/19/99	$9,594
Research Libraries Group, Inc. Mountain View, CA	To support *RLG DigiNews*	11/3/97	$7,700
Susan Rosenblatt Berkeley, CA	To report on the Social Science Data Archive Workshop	1/22/99	$1,500
Jeff Rothenberg, Santa Monica, CA	To survey existing models of digital archiving and develop an approach to assure future access to digital information	10/8/97	$40,000
Rutgers University New Brunswick, NJ	To explore variable pricing for online services at research libraries	11/15/96	$24,954
Rutgers University New Brunswick, NJ	To undertake a study, The Efficiency of Research Libraries: A New Analytical Tool and Pilot Study Using 1995 ARL Data	11/15/96	$24,973
Southeastern Library Network, Inc. (SOLINET) Atlanta, GA	To support the Rural Libraries Technology Leadership Institute	11/6/96	$24,000
Southeastern Library Network, Inc. (SOLINET) Atlanta, GA	To design a leadership development program for staff of state libraries and multitype consortia	12/15/98	$15,000
Stanford University Libraries Stanford, CA	To evaluate the preservation needs of software collections	4/30/98	$25,000

Recipient	Purpose	Authorized	Amount
Stanford University Libraries Stanford, CA	To conduct an in-depth study and survey of users of scholarly electronic journals	11/23/98	$25,000
Rodney Stenlake New Haven, CT	To analyze possible licensing arrangements among digital libraries	9/30/98	$2,500
UNC School of Information and Library Science Chapel Hill, NC	To support the development of the Internet2 distributed storage infrastructure and an applications workshop	2/2/99	$10,000
University of California, Berkeley Berkeley, CA	To plan a project on performance measures for research library collections and information services	6/21/96	$25,000
University of California, Berkeley Berkeley, CA	To support the planning phase of the MOA II testbed project	11/19/97	$49,908
University of Cape Town Fund, Inc. South Africa	To support the travel of two participants in a preservation workshop	4/12/99	$800
University of Michigan Ann Arbor, MI	To support the project, Pricing Electronic Scholarly Information: A Research Collaboration	11/15/96	$25,000
University of Michigan Ann Arbor, MI	To support the development of a distributed finding aid server, with Harvard University	5/6/98	$25,000
University of Minnesota Minneapolis, MN	To support a study on the theory of cost allocation for information resources	7/18/97	$25,000
University of Natal South Africa	To support the travel of three participants in a preservation workshop	4/12/99	$1,066
Herbert Van de Sompel Gent, Belgium	To support research on reference-linking systems	12/16/98	$10,000
Don Williams Williamson, NY	To write a section for the series, *Guides to Quality in Visual Resource Imaging*	3/8/99	$3,000
Yale University Library New Haven, CT	To develop LIBLICENSE software for drafting licensing agreements for academic research libraries	6/5/97	$23,000
Yale University Library New Haven, CT	To sponsor a meeting to discuss the development of standard encoding practices for archival authority information	11/23/98	$7,500

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COUNCIL ON LIBRARY AND INFORMATION RESOURCES

FINANCIAL STATEMENTS
WITH
ADDITIONAL INFORMATION

FOR THE YEAR ENDED JUNE 30, 1999
(With Summarized Financial Information for June 30, 1998)

WITH
INDEPENDENT AUDITORS' REPORT

STONE AND SPRING
Certified Public Accountants
Herndon, Virginia

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COUNCIL ON LIBRARY AND INFORMATION RESOURCES

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Michael G. Spring, Jr., C.P.A.
Stephen C. Stone, C.P.A.

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Council on Library and Information Resources
Washington, D.C.

We have audited the accompanying statement of financial position of the Council on Library and Information Resources as of June 30, 1999, and the related statements of activities and changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Council on Library and Information Resources as of June 30, 1999, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Stone and Spring

Certified Public Accountants

Herndon, Virginia
August 19, 1999

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Members American Institute of Certified Public Accountants

COUNCIL ON LIBRARY AND INFORMATION RESOURCES

STATEMENT OF FINANCIAL POSITION

June 30, 1999
(With summarized financial information for June 30, 1998)

	Unrestricted	Temporarily Restricted	Total 1999	Total 1998
Assets				
Cash and cash equivalents	$ 481,880	$ -	$ 481,880	$ 747,322
Investments	922,778	2,047,462	2,970,240	3,198,775
Accounts receivable	-	-	-	22,680
Furniture and equipment, net	34,191	-	34,191	41,029
Other assets	24,978	2,583	27,561	30,552
Total Assets	$ 1,463,827	$ 2,050,045	$ 3,513,872	$ 4,040,358
Liabilities and Net Assets				
Accounts payable and accrued expenses	$ 54,726	$ 188,120	$ 242,846	$ 180,945
Capital lease payable	7,770	-	7,770	10,400
Sublet deposits	2,956	-	2,956	6,290
Total Liabilities	$ 65,452	$ 188,120	$ 253,572	$ 197,635
Net Assets	1,398,375	1,861,925	3,260,300	3,842,723
Total Liabilities and Net Assets	$ 1,463,827	$ 2,050,045	$ 3,513,872	$ 4,040,358

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The accompanying notes to financial statements are an integral part of this statement.

COUNCIL ON LIBRARY AND INFORMATION RESOURCES

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended June 30, 1999
(With summarized financial information for June 30, 1998)

	Unrestricted	Temporarily Restricted	Total 1999	Total 1998
Revenue				
Grants and contracts	$ 25,936	$ 685,250	$ 711,186	$ 236,441
Contributions	207,907	472,916	680,823	550,190
Publication sales	32,974	-	32,974	10,819
Investment income	69,470	89,730	159,200	231,786
	$ 336,287	$ 1,247,896	$ 1,584,183	$ 1,029,236
Net Assets released from Restrictions				
Satisfaction of program restrictions	$ 1,716,775	$ (1,716,775)	$ -	$ -
Total Revenue	$ 2,053,062	$ (468,879)	$ 1,584,183	$ 1,029,236
Expenses				
Program services:				
Preservation	$ 851,005	$ -	$ 851,005	$ 880,254
Leadership	395,946	-	395,946	259,295
Digital libraries	551,860	-	551,860	434,001
Resources for scholarship	19,737	-	19,737	-
Economics of information	12,441	-	12,441	29,003
Total Program Services	$ 1,830,989	$ -	$ 1,830,989	$ 1,602,553
Administration	335,617	-	335,617	262,804
Total Expenses	$ 2,166,606	$ -	$ 2,166,606	$ 1,865,357
Change in Net Assets	(113,544)	(468,879)	(582,423)	(836,121)
Net Assets, Beginning of Year	1,511,919	2,330,804	3,842,723	4,678,844
Net Assets, End of Year	$ 1,398,375	$ 1,861,925	$ 3,260,300	$ 3,842,723

The accompanying notes to financial statements are an integral part of this statement.

COUNCIL ON LIBRARY AND INFORMATION RESOURCES

STATEMENT OF CASH FLOWS

For the Year Ended June 30, 1999
(With summarized financial information for June 30, 1998)

	1999	1998
Operating Activities		
Change in net assets	$ (582,423)	$ (836,121)
Adjustments to reconcile change in net assets to net cash provided by (used) in operating activities		
Depreciation	25,570	28,432
(Increase) decrease in grants receivable	-	103,928
(Increase) decrease in other assets	2,991	6,562
(Increase) decrease in accounts receivable	22,680	145,291
Increase (decrease) in accounts payable and accrued expenses	61,901	(189,493)
Increase (decrease) in sublet deposits	(3,334)	6,290
Net Cash Provided (Used) By Operating Activities	$ (472,615)	$ (735,111)
Investing Activities		
Proceeds from sales of investments	$ 5,757,468	$ 9,027,694
Purchases of investments	(5,528,933)	(7,856,079)
Purchases of furniture and equipment	(18,732)	(55,715)
Net Cash Provided (Used) By Investing Activities	$ 209,803	$ 1,115,900
Financing Activities		
Proceeds from capital lease	$ -	$ 13,150
Principal payments on capital lease	(2,630)	(2,750)
Net Cash Provided (used) By Financing Activities	$ (2,630)	$ 10,400
Net Change in Cash and Cash Equivalents	$ (265,442)	$ 391,189
Cash and cash equivalents, beginning of year	747,322	356,133
Cash and cash equivalents, end of year	$ 481,880	$ 747,322

The accompanying notes to financial statements are an integral part of this statement.

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COUNCIL ON LIBRARY AND INFORMATION RESOURCES

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

NOTE 1- Organization

The Council is a not-for-profit organization incorporated under the laws of the District of Columbia in 1988 for the purpose of fostering, developing, and supporting systematic and purposeful collaboration in order to ensure the preservation of the published and documentary record in all formats and provide equitable access to that information.

The Council's operations are financed through contributions from colleges, universities and other organizations and through general support grants and restricted grants from private foundations and other sources. The Council conducts its work directly through committees and working groups as well as through contracts with other organizations and individuals.

NOTE 2- Summary of Significant Accounting Policies

Basis of accounting - The accompanying financial statements of the Council have been prepared on the accrual basis.

Grant revenue and recognition of grantor restrictions - The Council reports grants as temporarily restricted support if they are received with grantor stipulations that limit the use of the grants as to time or purpose. When either condition is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restrictions. Support that is restricted by the grantor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

Contracts / Grants payable - Contracts made by the Council are recorded as contracts payable and expensed at the time contracts are awarded. Current period expenses are adjusted for contract refunds or over appropriations when received.

Board designated net assets - From time to time, the Board of Trustees designates a portion of unrestricted net assets for various short-term projects.

Cash and cash equivalents - For purposes of the statement of cash flows, cash and cash equivalents consist primarily of deposits in a money market mutual fund and investments with original maturities of 90 days or less. For purposes of comparability, investments in 1998 totaling $579,921 have been reclassified to cash and cash equivalents.

NOTE 2- Summary of Significant Accounting Policies (continued)

Functional allocation of expenses - Costs of the various programs have been summarized on a functional basis in the accompanying financial statements. Certain indirect costs which include rent and other expenses are identified as support services costs and have been allocated directly to programs and administration. Salaries and travel costs have been allocated directly to programs and administration on a time-allocated basis.

Furniture and Equipment - Furniture and equipment are recorded at cost, less accumulated depreciation. Depreciation expense is computed using the straight-line method over the estimated useful lives of the respective assets. Expenditures for maintenance and repairs are charged against income as incurred; betterments which increase the value or materially extend the life of the related assets are capitalized.

Contributions - The Council records grant income as unrestricted, temporarily restricted, or permanently restricted support, depending upon the terms and conditions of the grant.

Fair value of financial instruments – Management estimates that the fair value of all financial instruments at June 30, 1999 does not differ materially from the aggregate carrying values reported in the accompanying statement of financial position due to the short term maturities of those instruments.

Use of estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Summarized financial information - The financial statements include certain prior year comparative information summarized in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Council's financial statements for the year ended June 30, 1998 from which the summarized information was derived.

Reclassification of prior year information - Certain amounts from the prior year have been reclassified to enhance comparability.

COUNCIL ON LIBRARY AND INFORMATION RESOURCES

NOTES TO FINANCIAL STATEMENTS

June 30,1999
(Continued)

NOTE 2- Summary of Significant Accounting Policies (continued)

Investments - The Organization has adopted SFAS No. 124, "Accounting for Certain Investments Held by Not-for-Profit Organizations". Under SFAS No. 124, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

NOTE 3 - Income Taxes

The Council is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable regulations of the District of Columbia.

NOTE 4 - Furniture and Equipment

Furniture and equipment consist of the following:

	1999	1998
Furniture and equipment	$ 161,304	$ 143,909
Leasehold improvements	4,015	4,015
	165,319	147,924
Less: accumulated depreciation and amortization	(131,128)	(106,895)
	$ 34,191	$ 41,029

NOTE 5 - Net Assets released from Restrictions

Net assets were released from grantor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by grantors.

COUNCIL ON LIBRARY AND INFORMATION RESOURCES

NOTES TO FINANCIAL STATEMENTS

June 30,1999
(Concluded)

NOTE 6 - Retirement Plan

Employees are eligible for participation in the Council's defined contribution retirement annuity program ("the Plan") administered through the TIAA/CREF insurance companies. Individual contracts issued under the Plan provide for full and immediate vesting of the Council's contributions. The Council contributes 15% of employees' salaries to the Plan each year. The Council's contributions were $116,420 and $105,628 in 1999 and 1998, respectively.

NOTE 7 - Concentrations of Credit Risk

Financial instruments which potentially subject the Council to concentrations of credit risk consist primarily of cash equivalents. At June 30, 1999 and 1998, approximately $220,154 and $579,921 respectively, in cash equivalents was being held by a third party in a money market mutual fund that invests solely in United States government securities. This amount is not insured by the Federal Deposit Insurance Corporation. In addition, cash in the bank at June 30, 1999 and 1998 exceeded FDIC insurance limits by approximately $161,726 and $67,401.

NOTE 8 - Commitments

The Council has entered into a noncancelable operating lease agreement for its office space which expires in August, 2003. The Council is subleasing a portion of its space until August, 2003. The Council is also leasing a phone system at a cost of $13,150 which has been classified as a capital lease.

Future minimum payments under all leases, net of sublease receipts, are as follows:

Year Ending June 30,	Capital Lease	Operating Lease
2000	$ 3,352	$ 128,319
2001 -	3,352	133,453
2002	3,352	138,797
2003	-	144,348
Thereafter	-	24,166
Total	$ 10,056	$ 569,083
Amount representing interest	2,286	
Present value of Net Minimum Lease payments	$ 7,770	

COUNCIL ON LIBRARY AND INFORMATION RESOURCES

SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 1999
(With summarized financial information for June 30, 1998)

	Digital Libraries	Economics of Information	Leadership	Preservation	Resources For Scholarship	Total Program Services	Admin.	Total 1999	Total 1998
Grants	$ 83,648	$ -	$ 3,800	$ 1,000	$ -	$ 88,448	$ -	$ 88,448	$ 10,136
Refunds	-	(3804)	-	-	-	(3,804)	(703)	(4,507)	-
Contracts	102,500	-	178,219	50,820	19,737	351,276	3,001	354,277	167,212
Meeting & Travel	88,296	3,508	55,798	49,415	-	197,017	12,326	209,343	192,655
Project Expenditures	1,021	-	-	68,162	-	69,183	-	69,183	73,054
Communications	28,522	791	3,075	29,218	-	61,606	25,411	87,017	81,700
Staff	217,145	9,466	124,957	616,561	-	968,129	44,268	1,012,397	928,526
Consultants	10,770	-	18,913	8,878	-	38,561	27,787	66,348	183,293
Program Support	19,958	2,480	11,184	26,951	-	60,573	202,377	262,950	211,056
Board Expense	-	-	-	-	-	-	21,150	21,150	17,725
TOTAL	$ 551,860	$ 12,441	$ 395,946	$ 851,005	$ 19,737	$ 1,830,989	$ 335,617	$ 2,166,606	$ 1,865,357

The accompanying notes to financial statements are an integral part of this statement.

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